

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6830**

**BILL NUMBER:** SB 330

**NOTE PREPARED:** Dec 22, 2006

**BILL AMENDED:**

**SUBJECT:** Legal Settlement of Foster Children.

**FIRST AUTHOR:** Sen. Lawson C

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that a student who is placed in a foster family home or the home of a relative or other caretaker that is not located in the school corporation in which the student has legal settlement may attend school in either the school corporation in which the home is located or in the school corporation in which the student has legal settlement.

The bill defines "homeless student", for purposes of school transportation law, to include a student who is awaiting placement in a foster family home.

The bill also allows a juvenile court to determine the legal settlement of a student who is under the jurisdiction of the juvenile court. It also makes corresponding changes to related sections.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** See *Explanation of Local Expenditures*.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** This bill provides that a student who is placed in a foster family home or the home of a relative or other unlicensed caretaker that is not located in the school corporation in which the student has legal settlement may attend school in either the school corporation in which the foster family home or other home is located or the school corporation in which the student has legal settlement. The bill requires the Department of Child Services (DCS) and the student's foster parents or caretaker to make a determination concerning where the student attends school unless that determination is made by a court that

has jurisdiction over the student.

Under current law, a child placed in a foster family home may attend a school corporation in which a foster family home is located. Furthermore, the school corporation in which the child has legal settlement is responsible for paying the transfer tuition of the student. School corporations are also responsible for paying transfer tuition for students placed in the home of a relative or other unlicensed caretaker.

The bill modifies that language and states that transfer tuition is not required for a student placed in a foster family home or in the home of a relative or other unlicensed caretaker. The number of students placed in a foster family home or the home of a relative or other licensed caretaker for which transfer tuition is paid is not known. Under the bill, school corporations would experience a reduction in expenditures. Actual reductions: (1) would be dependent on the number of students in each school corporation which that corporation would no longer have to pay transfer tuition for.

*Background Information:* The average monthly number of children placed in a foster home, relative home, or other type of placement, during FY 2006 totaled approximately 8,300 children.

*Definition of Homeless Student:* The bill includes language which states that a student who is awaiting placement in foster care is included in the definition of homeless student. Under current law, a homeless student is entitled to transportation from the place where the homeless student is temporarily staying to the school of origin. Furthermore, the original and transitional school corporations are required to either enter into an agreement concerning the responsibility for the apportionment of the costs of transporting the homeless student or share the costs evenly if they cannot come to an agreement. The Department of Education reports that it uses the federal definition for homeless student to dictate who is defined as a homeless student in Indiana. Furthermore, that definition includes a student who is awaiting placement in foster care. Thus, no fiscal impact is anticipated from the provision.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Child Services; Department of Education.

**Local Agencies Affected:** School corporations; Courts.

**Information Sources:** John Ryan, Department of Child Services; John Wood, Department of Child Services; Christina Endres, Department of Education; Ralph Jones, Department of Child Services.

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